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TO: City Planning Commission
FROM: *MA* Michael O. Adebayo, CPC Staff and *DT* David Teeter, Council Research and Analysis Division Staff
RE: Proposed Capital Agenda for 2005-06 through 2009-10
DATE: January 19, 2005

On January 20, 2005, the City Planning Commission (CPC) will discuss the Proposed Capital Agenda for 2005-06 through 2009-10. The Proposed Capital Agenda was submitted to the City Council on December 1, 2004 as mandated by the City Charter. Copies of the document have been forwarded to the Commissioners for your review and input.

CITY CHARTER REQUIREMENTS

The Proposed Capital Agenda for 2005-06 through 2009-10 is subject to the provisions of the 1997 City Charter. According to Section 8-202(1) of the Charter:

"On or before December 1 each even year, the mayor shall submit a proposed capital agenda for the next five (5) fiscal years to the council".

Also, the Charter mandates that City Council take action on the Proposed Capital Agenda by March 1 of the following year. If the Council fails to take action on the Proposed Capital Agenda by March 1, the document is deemed approved.

As in previous years, the review of the Proposed Capital Agenda is a joint effort of the staffs of the City Planning Commission, the Council's Fiscal Analysis Division, and the Council's Research and Analysis Division. The staffs of CPC and Council's Research and Analysis Division reviewed and analyzed the proposed capital improvements programs for twenty-three (23) departments and 36th District Court. The Cable Communications Commission has been deleted from the Proposed Capital Agenda while the Cultural, Arts & Tourism Department has been added to the document.

The Fiscal Analysis Division primarily focused on the fiscal aspects of the capital program. The Fiscal Analysis Division has submitted a separate report (see attachment).

FORMAT OF THE PROPOSED CAPITAL AGENDA

The Proposed Capital Agenda includes a section on Major Sources of Funding. This section succinctly describes the four major sources of funds for the capital improvement program. The sources are: bonds, cash capital, grants (federal/state/private) and dedicated taxes. It gives the history of General Obligation Bond sales from 1989-90 through 2004-05 and the total amount funded with General Obligation Bonds by department over this period. This section also gives details of earnings on investments, Limited General Obligation Bonds and private funds. The Capital Agenda also describes revenue bond sources that fund projects in enterprise departments as well as various State and Federal grant funds used by the City for capital projects.

The Department Programs section of the Proposed Capital Agenda includes each department's capital program beginning with an organizational chart complete with full time employees (FTE). There is information about current facilities, a five-year history, and a summary of the proposed five-year capital program. These are followed by descriptions of various departmental capital projects with time frames and sources of funding. Each departmental capital program is summarized in a chart with project status, time line, impact on staffing and on budget, funding source, authorized but unissued bonds, budget amount and the scheduling of the five-year projects. In most cases, maps and pictures are included in the departments' capital programs.

The "Related Agencies and Programs" section of the Proposed Capital Agenda contains a variety of ancillary information not directly related to capital projects whose funds are subject to appropriations controlled by City departments. These include capital plans for other development entities, namely, the Detroit Economic Growth Corporation, Downtown Development Authority, Economic Development Corporation, Neighborhood Development Corporation, Tax Increment Finance Authority (TIFA), Local Development Finance Authority, and the Detroit Brownfield Redevelopment Authority. Other entities included are the Detroit Building Authority, Detroit Housing Commission, Detroit Public Schools, and Detroit Wayne County Port Authority. Information on various development zones within the City are also included in the Capital Agenda. These are the Detroit Empowerment Zone, Neighborhood Enterprises Zones, and the Detroit Renaissance Zone. This section of the proposed Capital Agenda is primarily informational.

REVIEW OF THE PROPOSED CAPITAL AGENDA BY DEPARTMENT

36th DISTRICT COURT

The 36th District Court is located at 421 Madison Avenue in a 6-story former warehouse structure that was converted for use as a court facility. The building is privately owned and leased to the City.

The Court proposes six projects totaling \$9,852,000. All projects are unprogrammed. Five (5) of the projects are continued from the last Capital Agenda, submitted two years ago. The continuing projects are to provide additional space within the building by adding a 7th floor between the 6th floor and the roof. The project added to the Capital Agenda this year involves moving the air intake vents to the roof. Air intake vents are currently located between the first and second floors, which allow exhaust fumes to enter the building, causing health problems for employees. This has also resulted in the filing of lawsuits. The vents are also more accessible to

the public, creating a potential security risk. Addressing the air vents appears to be a priority project.

The 36th District Court should be requested to furnish information concerning the duration of the lease and the obligations of the building owners for capital improvements.

AIRPORT DEPARTMENT

The Airport Department, which operates the City Airport, has proposed seventy-two (72) capital improvement projects for the fiscal years 2005-06 through 2009-10. The Airport Department capital program is divided into four categories, namely: Land Acquisition, Safety and Security, Airfield Improvements, Buildings and Ground improvements. The Airport Department plans to address its Federal Aviation Administration (FAA) requirements with the continuation of Phases III through V of the French Road Mini-take Project.

Additionally, the Airport Department has included a project for 2008-09 that would acquire land for a future runway. The Airport Department capital program also includes the proposed construction of a new 5,700-foot runway for 2009-10. In our review of the Capital Agenda back in 2003, we noted, among other things, that:

"The Airport Department 's Proposed Capital Agenda indicates that the master plan for the airport includes a 5,000 to 6,000 foot replacement runway, which would allow the current Runway 15-33 to be redeveloped. Under Airport Improvements, a new 5,700-foot runway, a new heliport and an Environmental Impact Study (EIS) are part of the capital program. This plan would require the relocation of the railroad lines and some industrial development along Grinnell."

As of now, there is no indication that the FAA has approved the proposed runway and there is no information as to the status of the replacement runway. The City Council should request an update on these items.

In a related matter, the Airport Department indicated that the proposed runway would increase the possibility of reopening McNichols between French Road and Conner that has been temporarily closed to pedestrian and vehicular traffic since December 9, 1987.

Safety and Security of the Airport is a major component of the Airport Department capital program. Projects include, but are not limited to, Apron Utilization Plan and Apron Modification, and Perimeter Security Fencing.

The Airport Department has proposed several airfield improvements to ensure compliance with FAA standards and modernize the facility. According to the Proposed Capital Agenda, some of the airfield improvement projects include updating the current runways, an Environmental Impact Study (EIS) for a new runway, and a heliport landing area.

There are several buildings and grounds improvements projects to ensure that the identified Airport's infrastructure is updated. These projects include a building to snow removal equipments, an upgrade of the Terminal Entrance/Access Road, and Terminal Apron Lighting.

Some new facilities are being proposed such as an Airport Rescue Fire Fighting Building, and Digital Message Signage

ARTS DEPARTMENT

The Institute of Arts is located in the single facility on Woodward Avenue in the Cultural Center. The structure includes approximately 600,000 square feet and sits on approximately 11.5 acres of property. The Institute lists six projects for a total of \$55,750,000 in expenditures. The previous Capital Agenda, submitted two years ago, included four projects for a total of \$57,818,000. A significant portion of the Institute's funding for capital projects is provided through donations, in addition to General Obligation Bonds.

The Institute of Arts initiated its Master Plan Project for the expansion and renovation of the Institute in 2000-2001. The 35,000 square foot addition to the south wing has been completed. Renovation of the original 1927 structure has also been completed. Work has now begun on the exterior of the structure. The current fiscal year includes over \$33 million in capital expenditures.

Projects included in the Proposed Capital Agenda are a continuation of the projects that were submitted in previous five-year Capital Agenda. The Institute is indicating a completion date for the renovation in 2006. However, \$25 million for remediation of the North and South wings is listed as unprogrammed.

The estimated cost for the Institute's Master Plan has increased over 50% from \$91 million to \$146.8 million since the original plan. According to the Institute, the increase is due to finding greater amounts of asbestos-containing material than anticipated.

In this Capital Agenda, the Municipal Parking Department is proposing to sell the Cultural Center Garage, which is adjacent to the Institute of Arts. The Arts Department should respond to the question as to how the proposed sale affects the Master Plan and the operations of the Detroit Institute of Arts.

CHARLES H. WRIGHT MUSEUM OF AFRICAN-AMERICAN HISTORY

The Charles H. Wright Museum of African-American History is located in a single facility at 315 East Warren. The facility includes 120,000 square feet of space. The Museum proposes two projects for the next five years with estimated expenditures of \$2 million; however, \$1 million is unprogrammed. In comparison, the previous Capital Agenda for the Museum of African-American History included two projects for a total of \$8 million.

A major capital project recently completed is the creation of a new core exhibit. The 22,000 square foot exhibition entitled "And Still We Rise" was opened to the public in November 2004.

Ongoing capital expenditures for facility improvements are indicated to address deficiencies in the design and construction of the building. Funding of \$200,000 per year is requested to address leaks from the Museum's dome; regrading entry walkways; and improvements to the air-handling system.

One specific project that is proposed in this Agenda is the creation of a new exhibit space with an interactive gallery to honor Black scientists and inventors. The proposed space is currently used for administrative offices. The Museum indicates the new exhibit space is scheduled to open in spring of 2007. However, the funding of \$1,000,000 is unprogrammed. The Museum should be requested to address the potential affects, if any, of the reduction of administrative space on the Museum's operation and if there are plans to construct new office space in the future.

CIVIC CENTER DEPARTMENT

The Civic Center Department manages seventy-five (75) acres of Detroit riverfront, which includes Cobo Center, Cobo Arena, Ford Auditorium, and Joe Louis Arena. Additionally, the Civic Center Department is also responsible for the operation on Hart Plaza, Atwater Tunnel, and the Dodge Fountain. On site at Cobo Center are the Municipal Parking Department, Cobo Hall garage, a People Mover station, and Police Department mini-station.

The Civic Center Department's Proposed Capital Agenda contains seven (7) capital projects that would address a variety of items. The first priority of the Civic Center capital program is the Exhibit Halls at Cobo Center. Projects include painting of the halls, floor repairs, aesthetic improvements, an enclosure of the People Mover tramway, and increases in electrical services.

The Civic Center Department is planning improvements and upgrades to the fire suppression system at Cobo Center for several locations including the Riverview Ballroom, Promenade Room, meeting rooms, etc. This Capital Agenda also includes on-going improvement upgrades in the interior of Cobo Center and retrofitting of select building entrances/exits to Americans with Disabilities Act (ADA) standards. Funding for food service equipment improvements for both Cobo Center and Hart Plaza is included in the proposed Capital Agenda.

The proposed Hart Plaza capital projects would address ADA violations at the facility. Some of these violations can be found at the lower level food court, rest rooms, etc., and they must be corrected. The plan also calls for the rehabilitation of the 30-year old Dodge Fountain. Improvements will include replacement of the major plumbing components, waterproofing repairs and renovations, etc. Other planned Hart Plaza improvements include a new electronic marquee, lighting and flagpoles, electrical distribution system improvements, horticultural improvements and irrigation system renovations (all unprogrammed).

Finally, the Civic Center Capital Agenda includes funds to make improvements and upgrades to the exterior of Cobo Center. Such capital improvements include HVAC units and ductwork roof enclosure; and masonry walls in the lower (street) area of the Lodge Freeway, Larned and Congress; and improvements to the ceiling and walls in the Larned Street roadway tunnel.

The Civic Center Department Capital Agenda does not address the capital needs of Ford Auditorium. The proposed Capital Agenda states: "*Funds are currently available from the sale of general obligation bonds in the amount of \$1 million to be used for Ford Auditorium. These funds are held by the Planning and Development Department; however, the Civic Center Department is responsible for the administration of the rehabilitation project and approves all expenditures.*"

The Civic Center Department should be asked about the status of these funds and the issue of Ford Auditorium.

CULTURAL, ARTS & TOURISM DEPARTMENT

The Eastern Market was placed under the jurisdiction of the Department of Culture, Arts, and Tourism in July 2003. This department was formerly known as the Cultural Affairs Department. Eastern Market is more than 160 years old. The City of Detroit owns 11-acres in the Eastern Market area, including five sheds.

Capital Improvements projects for the Eastern Market for the next five years would include the following:

Sheds #2 through Shed #5 need exterior and interior rehabilitation; paint, updated electric systems, updated water and drainage systems, etc. A new security system, new doors, and signage are planned for Eastern Market. New office areas would be added and curbs would be removed. Stalls would be redone, and an educational center and new landscaping would be added. The total construction of a new Shed #6 is also planned. Conclusively, a new infrastructure would be created as well as the building of a new event space.

Funding for the capital improvements for this department would consist of a combination of General Obligations Bond funds, Other Sources (with no specifics), and unprogrammed.

DEPARTMENT OF PUBLIC WORKS (DPW)

The Department of Public Works operates out of six locations in a total of 13 buildings. The department's proposed Capital Agenda includes 5 projects with total estimated expenditures of \$49,978,000. The unprogrammed funds comprise \$41,606,000 or 83% of the total. In comparison to the previous Capital Agenda of two years ago, the Department of Public Works proposed six projects totaling \$26.4 million.

The Department of Public Works proposes two major projects with programmed, or identified funding. The implementation of an Intelligent Transportation System and construction of a Traffic Management Center within the offices of the Traffic Engineering Division at 2633 Michigan is planned over two fiscal years from 2005 through 2007. Estimated costs for this project is \$6 million. The City Council recently approved a contract with HNTB Michigan, Inc. for \$2.4 million. The indicated purpose of this contract is for the management of the construction and implementation of the Intelligent Transportation System and construction of the Emergency Operation Center. The terms of the contract indicate that the traffic management system will be focused on the Central Business District.

The second major project, which was also listed in the previous Capital Agenda, is the construction of a parking shelter that would provide a limited amount of heat for the refuse trucks during the winter. This project would be constructed at the Russell Ferry location. The department indicates this project would extend the life of the vehicles and also provide greater assurance that trucks can be started during the coldest weather.

In the previous Agenda, Public Works proposed additions to the maintenance garages at 2141 Livernois and at 12255 Southfield. In this Agenda, the department proposes new construction of a maintenance garage on Livernois or at a new location. The department is also proposing all new facilities at the Southfield yard, including a new maintenance garage. According to the department, structures at the Southfield yard are 35 years old and in poor condition.

DEPARTMENT OF PUBLIC WORKS/STREET CAPITAL

The Street Capital Projects are developed and administered through the Department of Public Works. Projects are funded through Gas and Weight Taxes and Federal and State Grants, some of which require local matching funds. Street Capital projects address maintenance and continuing improvements for 681 miles of major streets, and 1,893 miles of local streets, including bridges, overpasses/underpasses, traffic signals and street signs.

According to the Department of Public Works, a total of 623 miles of streets were resurfaced over the past five years, or approximately 124.6 miles per year. This represents an increase from the 119 miles per year reported two years ago in the previous Capital Agenda. Public Works crews are reported to have completed 218 miles over the last five years (about 35%), again an increase from the 182 miles (about 31%) completed by DPW crews reported in the last Capital Agenda. The balance of the resurfacing projects is done by contractors.

The Capital Agenda includes ten proposed projects for Street Capital with total estimated expenditures of \$642,653,000, which includes unprogrammed expenditures of \$23,930,000 in comparison with the previous Agenda, where twelve projects were proposed for a total of \$404,812,000, which included \$9,550,000 in unprogrammed projects.

The previous Capital Agenda for Street Capital reported an expectation there would be a significant decline in funding for street resurfacing. The proposed Capital Agenda reports, once again, that the current level of resurfacing cannot continue due to lack of funding. However, the proposed Agenda includes an increase in expenditures for street resurfacing over the next five years. There are also increases in the expenditures for projects to address traffic signals, traffic signs and street re-construction. Further information should be requested for the basis of the Department's statement that funding for Street Capital projects will decline.

Three projects proposed under Street Capital programming were previously listed as Department of Public Works Capital Projects. These projects include: construction of Stockroom Warehouse; construction of Eastside Street Maintenance Yard; and new Salt Dome at the Southfield Yard.

The staff report on the previous Capital Agenda included a recommendation that when new traffic signals are acquired, consideration should be given to those that include audible signals for sight-impaired citizens. This recommendation is also included for the proposed Capital Agenda. Audible pedestrian signals will help the City to meet the requirements of the ADA.

DEPARTMENT OF TRANSPORTATION

The Department of Transportation maintains operations at four locations – three terminals plus the Central Shop, which includes administration offices, a heavy repair facility and a plant maintenance building. The Department also maintains 175 bus shelters and 6,000 bus stops.

The Department of Transportation proposes a five-year Capital Agenda with 13 projects listed for approximately \$65,892,000, which includes \$2,620,000 for one unprogrammed project. In comparison with the previous Capital Agenda, the department proposed 16 projects with an estimated total of \$571,635,000, which included \$264,651,000 for unprogrammed projects. However, preceding the actual list of projects, the department states that the *“proposed Five Year Capital Plan includes approximately \$900 million in Federal and State appropriation with funding provided by the Federal Government of 80% and 20% match from the State or City.”* The City Council should request the department to explain this indication of a \$900 million Five-Year Capital Agenda, which does not match the listed projects totaling \$65,892,000. The Department of Transportation reports that \$218,740,000 in federal and state grants has been used over the past five years.

Included in the list of proposed projects are the Fare Integration System and the Job Access/Reverse Commute Program. Neither program appears to be a capital investment, or physical improvement to a facility. It is recommended that the City Council request the Department of Transportation to explain how the Fare Integration System and the Job Access/Reverse Commute Program are capital projects, which should be included in this Capital Agenda.

The department lists three major projects with funding budgeted for the 2004-2005 fiscal year: the Downtown Transit Center, improvements to the Central Terminal and replacement of the ventilation system at the Gilbert Terminal on Wabash. The City Council should request the status for each of these projects.

Specific proposed capital projects for the next five years include renovation of the Coolidge Terminal and renovations to the Shoemaker Terminal. Other projects are on-going and include: replacement of buses; lease of additional buses to expand fleet; acquisition of communications equipment including computer systems, security equipment and emergency management system; and improvements to bus stops and shelters.

It is recommended that City Council request the Department of Transportation to respond to the possible impact of the recently proposed reductions in the bus system's hours of operation on the proposed Capital Agenda for the department.

DETROIT TRANSPORTATION CORPORATION (DTC)

The Detroit Transportation Corporation (DTC) operates the Detroit People Mover (DPM). The DPM maintains 13 passenger stations, a Maintenance and Control Facility (MCF) and administrative offices located at 1420 Washington Boulevard.

The DTC's first priority is to upgrade, replace and overhaul its 11 vehicles. The 12th vehicle has been removed from service for over 5 years. According to the DTC, the vehicles are approaching the end of their operational life spans, which may result in failures.

Several DPM facilities are listed in the proposed Capital Agenda. These include Station Escalators and Elevators, which because of their age and design for indoor use, are to be replaced with outdoor units.

Other improvements include, but are not limited to: a new Inventory/Maintenance Management System, and Visual Enhancement Improvements ranging from lighting to artwork. Other projects include Uninterruptible Power Supply replacement, and renovation of the Grand Circus Park Station to make it handicapped accessible and consistent with ADA regulations.

The DTC plans to address the aging roofs of the stations, add storage tracks (lanes) and overhaul Two Used Mark I (People Mover) vehicles, and to continue with Guideway Maintenance.

Two capital programs, namely the Long Term Inspection Program, and Maintenance Training do not appear to meet the definition of capital projects. The City Council should ask the DTC why these projects are included in the Capital Agenda.

The DTC plans to use a combination of General Obligation Bonds, Cash Capital, and Unidentified sources for its capital projects. A few of the capital projects are unprogrammed.

ENVIRONMENTAL AFFAIRS DEPARTMENT

The Department of Environmental Affairs was established in 1995. This department provides technical environmental services and oversight of the assessment and clean-up of contaminated properties in order to prepare sites for new business and residential developments.

The Department of Environmental Affairs is involved in eight (8) Redevelopment Area Projects. These include: 1) Cluster 1, 2 and 5 Redevelopment Activities planned in concert with community-based non-profit organizations to create economic development through reuse of contaminated areas in Detroit; 2) East Riverfront Development which proposes to transform 100 acres of prime Riverfront land into mixed use development; and 3) site assessment, clean up of commercial or industrial sites and the demolition of environmentally impacted structures in the Jefferson-Chalmers Redevelopment area.

Other capital projects include site assessment in the Far East Development Study Area, environmental remediation related to the Uniroyal Redevelopment Project and activities related to redevelopment of the former Laro Coal site for residential use.

The department's Economic Development and Public Infrastructure Improvement capital projects include a Commercial/Industrial Development Sites fund to assist developments with, among other items, environmental activities and management oversight for demolition of the Statler Hilton Building.

The department would also be involved with environmental activities related to housing redevelopment proposed by Focus:Hope in the Oakland Boulevard area.

Proposed capital projects will be funded by a combination of Clean Michigan Initiative Bond Funds and Environmental Protection Agency funds. A portion of funding for the Uniroyal Redevelopment Project cannot be identified at this time.

DETROIT FIRE DEPARTMENT (DFD)

As in the previous capital programs, the Detroit Fire Department will continue its emphasis on renovation of existing fire stations, replacement of apparatus floors, widening apparatus doors for larger vehicles and construction of modular extensions to the existing facilities on available land.

The first priority is a two-phase program to acquire and install emergency electrical generators in order to have uninterrupted electrical capabilities at fire facilities located throughout the City. A total of 33 units are needed to accommodate the facilities that are currently without emergency electrical power.

Four property renovations are proposed during the five-year capital program. These include the rebuilding of the roof at the Apparatus Repair and Supply Shop located at 1400 Eskine. Major Renovation of Fire Facilities involves the replacement of apparatus floors and widening of apparatus doors. The renovation, Fire Station Replacement project involves acquiring and renovating a building in the downtown area. The facility would be a super fire station to provide better fire protection downtown. The department has obligated \$1,500,000 for this project. Also, the renovation of Fire Headquarters – DFD Historical Museum is a part of the capital program. The museum would display 135 years of rich history of the department. The project is unprogrammed.

Three new construction projects are planned in the proposed Capital Agenda. These include a \$7 million new training complex to consolidate all Fire Department training, a \$2,500,000 Fire Boat Facility and Fire Station Replacement. Other Fire Stations will be renovated and repaired.

DEPARTMENT OF HEALTH AND WELLNESS PROMOTION

The Health Department has been renamed the Department of Health and Wellness Promotion (DHWP). This department consists of the Herman Kiefer Health Complex (HKHC), the Animal Control Center on West Jefferson and five primary Health Care Centers located throughout the City. According to the department, many of the proposed capital improvements over the next five years are focused on continuing improvements to the physical plant. The current capital improvement program containing \$15.5 million in planned expenditures. Of this total, \$7.3 million involves improvements to HKHC; \$6 million would be for construction of new facilities; and \$2.2 million is planned for improvements to satellite primary care clinics.

The Satellite Health Centers Renovation is high priority because some facilities have not been upgraded in over thirty years. The facilities are not attractive or barrier-free.

The Animal Control and Care Facility was constructed in 1930 and an addition was made in 1970. The facility has heat and ventilation problems. General Obligation Bond revenues of \$3,000,000 are set aside for this project.

A feasibility study was done on HKHC and the study suggested that the current facility be rehabilitated instead of building a new one. Some areas of the facility are worn, unattractive, not patient friendly, and lacking in technologically advanced equipment.

The Proposed Capital Agenda is geared to address the problems. Proposed capital improvements include Vital Records Renovation, relocating of the pharmacy from the basement to the first floor, and relocating of the Laboratory away from the general public because it contains various biological agents. The capital plan also calls for the relocating of the Adult and the Pediatric Dental Clinics to the same area.

Capital projects for HKHC will be financed by General Obligation Bond Funds. Some of the projects are, however, unprogrammed.

HISTORICAL DEPARTMENT

The Detroit Historical Museum (DHM) operates five sites. The capital programs of the DHM are prioritized as follows:

Expansion and improvements to the Detroit Historical Museum would involve the construction of an additional 110,000 square feet, which would contain galleries, and permanent exhibits.

Collections Resource Center – Planning and Construction involves a space currently housed at Historic Fort Wayne that serves as a collections storage and conservation facility. When an expanded facility is completed, the curatorial staff and the artifacts will be more available for exhibit development and program use. The department would continue services in the current facility until a new 150,000 square foot addition is constructed.

The DHM has submitted a Master Plan for Historic Fort Wayne to the City Council. The Master Plan would be implemented in 25 years and would focus on the Historical and Museum Zone, recreation, commercial and non-profit developments. The DHM's current Fort Wayne's capital program focuses primarily on the restoration of the Historic Star Fort and other Museum buildings and installation of new permanent exhibits on Detroit military history. Capital projects would be funded with a combination of private funds, General Obligations Bonds and "other sources". However, three of the capital programs in the later part of the five-year program are unprogrammed.

OFFICE OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT

The Office of Homeland Security and Emergency Management became a department in 2004. The department is currently leasing space at 151 West Fort. The Office of Homeland Security proposes to establish an "emergency operations complex". It appears that this proposed office will include both the Homeland Security staff and the Emergency Operations Center currently located at 9449 Grinnell.

Several potential locations are identified including leased space or shared space with DPW. None of the proposed locations listed in the Capital Agenda include 9449 Grinnell. Estimated cost for a new or re-located Emergency Operations Center is \$3,195,000. Sources for this funding are not identified.

The Department of Public Works has contracted for the installation of an "Intelligent Transportation System" and a Traffic Management Center. The Department of Public Works has proposed that the Emergency Operations Center may be compatible with the Traffic Management Center. A contract with HNTB Michigan Inc. for \$2.4 million, to provide for the construction management and implementation of the Transportation Management Center, was approved by the City Council on January 12, 2005. Phase II of this contract is for the design and construction management of the Emergency Operations Center. The contract timeline states that the major components of the Operations Center should be in place for use by the Office of Homeland Security and the FBI during the All-Star game scheduled for July 7, 2005. This would meet the Office of Homeland Security's desire to have the Emergency Operation Center established by April of 2005.

The Office of Homeland Security should be required to indicate whether or not the department's Emergency Operations Center that is being implemented with the Traffic Management Center will serve the requirements of the Office, or if an additional Emergency Center is required. The City Council should also ask whether the Office of Homeland has considered the possibility of using Police facilities, including the Emergency Services Center in Southwest Detroit, or the Communications Center on Lyndon.

PUBLIC LIBRARY DEPARTMENT

The Detroit Public Library operates the Main Library at 5201 Woodward, the Municipal Reference Library in the Coleman A. Young Municipal Center, 23 neighborhood branch libraries and a facility for shipping, receiving and technical processing at 5828 Third Street. The Public Library provides a list of 17 categories of projects totaling \$51,214,000. None of the project funding is indicated to be unprogrammed. This compares to the previous Capital Agenda, wherein the Library submitted a list of 23 projects for a total of \$55,340,000 and \$51,340,000 was listed as unprogrammed.

Sixteen (16) of the projects or categories of work are listed in order of priority. The proposed projects address problems at both the Main Library and the branches. The number one priority is masonry repairs and replacement, including sidewalks. This project includes the Woodward Terrace and stairs at the Main Library, as well as work at many of the branches. Priority two is roof repair or replacement, particularly at the Main Library. Priority three is the expansion of the Children's Library at the Main Library. Renovations required to meet standards of the ADA is listed as Priority 12. It would seem that taking action to meet the requirements of the ADA would have a higher priority. Finally, the Library proposes to begin the repair and renovation required to re-open the Mark Twain Branch. However, this project is listed last, and there is no estimated cost indicated.

Funding for the Library's capital projects is expected to come from investment earnings and from grants, specifically the Skillman Foundation. Two questions that should be asked are: Can

any of the funds from the recent millage approvals be used for capital projects? Has the Library Commission investigated the potential of partnering with corporations or businesses to support major renovation projects?

MUNICIPAL PARKING DEPARTMENT

The Municipal Parking Department operates 11 garages, 2 lots in the Central Business District, 9 lots in other business districts, parking on the Cobo Roof deck, and approximately 4,500 parking meters on the streets. All parking revenue is deposited into an Enterprise Fund for the Parking System. This Enterprise Fund also receives rent, service fees, and a percentage of concession and suite revenue from Cobo Arena and Joe Louis Arena. Offices of the Municipal Parking Department are located at 1600 West Lafayette and 1531 Howard Street.

The Municipal Parking Department proposes a total of 15 projects with a total estimated cost of \$188,324,000, which includes \$143 million that is unprogrammed. The previous Capital Agenda submitted two years ago included 2 general projects for a total of \$160 million, which included \$145 million that was unprogrammed.

Twelve proposed projects are scheduled for the next fiscal year, 2005-2006. Most of the projects listed are to address renovation and maintenance requirements at seven parking structures, and for upgrading of parking meters. Two projects listed for 2005-2006 include the construction of a 1,000-space garage on the east riverfront, and contracting with an engineering/consulting firm as a construction manager. Two general projects are proposed for the remaining four years of the Capital Agenda. These projects include renovations and repairs to the parking facilities and improvements to the Cobo Arena and the Joe Louis Arena.

The department indicates that the newest parking garage, the Premier, is in need of repair. Although a Water Infiltration System is the listed project, no funding is indicated with the project. The department should be requested to give the estimated cost for repairs to the Premier Garage, and state whether these repairs are due to any errors or flaws in design or construction.

Municipal Parking indicates that future plans are to add at least one additional garage each year at a cost of \$22 to \$24 million each year. For 2005-2006, construction of the East Riverfront Garage is indicated. The department should be asked to provide the proposed locations or areas for future garages. Municipal Parking proposes to sell the First and Bagley and the Cultural Center Garages, both of which are in need of considerable renovation.

The Municipal Parking Department has contracted with the Detroit Building Authority to administer the department's capital projects, including construction of new garages. The City Council may wish to inquire if the Department will no longer be contracting with the Building Authority and why there is a need to obtain the services of a construction manager. Unless the need for a construction manager can be justified, it is recommended that the City Council delete Construction Management as a project for the Municipal Parking Department.

PLANNING AND DEVELOPMENT DEPARTMENT

The proposed five-year capital projects for this department are broken out into the following four categories and the projects are listed in priority order under each category. The category of

Urban Livability Improvement that was included in the previous Capital Agenda has been deleted. Of the two projects that had been included in that category, the Uniroyal Redevelopment Project is not part of the Department of Environmental Affairs capital plan and the Historic Preservation Program, have also been deleted.

Redevelopment Area Projects

The Far East Development Study Area project has risen to the highest priority among these projects. This project involves rehabilitation of houses and construction of new housing and community facilities within a 1,200-acre area. The City's funds would be used for right of way improvements and rehabilitation of existing houses. Over the next five years the project cost to the City is estimated at \$21.5 million, almost all derived from General Obligation Bonds.

The other project that has risen significantly in priority is Eastern Market and Wholesale Distribution Center – Public Improvements. City funds would be used for necessary roadway upgrades and other public improvements such as streetscapes and public lighting. It is expected that a combination of Community Development Block Grant and General Obligation Bond revenues totaling \$2.9 million would be used for this project over the next five years.

Economic Development and Public Infrastructure Improvements

The priorities and the nature of the projects in this category are unchanged from the previous Capital Agenda. The top three priorities remain Commercial/Industrial Development Sites, Trafficways Development Fund, and Major Building Demolition. These are all non-site specific type projects, where funds can be used to support developments throughout the city as needed.

Residential Development

The department has provided clarification and an amended page indicating that this category includes the five projects starting with Residential Development Sites Fund on page 235. The department indicates that the overview and summary of the affordable housing projects that have funding commitments from the HOME Program on pages 213-221 should be considered as a part of this category. The priorities and the nature of the projects in this category are unchanged from the previous Capital Agenda. The top three priorities remain Residential Development Sites Fund, Garfield Development Project, and New Amsterdam Residential Project. The department indicates that General Obligation Bond revenues are the expected source for funding infrastructure improvements for the Chalmers Heights project and the funding source for environmental work related to the project is unidentified. The tables on p. 236 and 241 should be corrected accordingly.

Completed Projects with Continuing Financial Obligations

These are projects that are basically complete but require continued funding commitments from the City because a portion of their financing included Section 108 loan proceeds from HUD. The City is obligated to repay these loans if the developer defaults. The Mexicantown International Welcome Center and Mercado is the only new project in this category from the previous Capital Agenda, with \$2.35 million in Community Development Block Grant funds committed over the next 5 years. The Michigan Repacking project, included in the previous Capital Agenda, has been deleted as the City's commitment has been completed.

POLICE DEPARTMENT

The Police Department has proposed eight capital projects in the Proposed Capital Agenda – three more than the previous Capital Agenda. The Police Department focused its five-year capital resources primarily on bringing its facilities into compliance with the U.S. Department of Justice (DOJ) Consent Decree – “Conditions of Confinement.” According to the Police Department capital programs, the projects include: Prisoner Detention Center, Communications Center, Forensic Laboratory, Property Room, Precinct Renovations and New Precinct Facility.

The Police Department would build a centrally located prisoner detention center as requested by DOJ using General Obligation Bond revenues. The department indicated that to retrofit the proposed detention facility would be expensive. The department has plans to develop a Communications Center. The center would house many of the Department’s communication-related units, as well as the Vehicle Management Unit. This capital project carried over from the 2004-2008 Capital Agenda.

The Forensic Laboratory project is carried over from the 2004-2008 Capital Agenda. The proposed crime lab would provide sufficient storage space and meet accepted industry standards. The space would also allow for the consolidation of all the department’s currently decentralized forensic facilities and staff.

Other improvements outlined in the Police Department capital program includes a new Property Room which is currently located in the Police Headquarters. The facility is not spacious enough to accommodate all property on-site. The facility is to be designed to house all of the department’s property in one location.

The existing firing ranges at several precincts will be upgraded and improved as required by the DOJ. New Precinct Facility – Design and Pre-Construction and New Precinct Facility – Construction are part of the department’s five- year capital program. The new Headquarters Complex project, which was included in the previous Capital Agenda is not included in the current document. The Police Department should be asked about the current plan to address the space limitations inherent in the current headquarters.

PUBLIC LIGHTING

The Public Lighting Department operates from three locations: Administrative offices at 9449 Grinnell, the Mistersky Power Station at 5425 West Jefferson, and the Witkowski Operations Center at 1340 Third Street. The Department is also responsible for operations and maintenance of 31 substations, a steam plant near the Herman Keifer complex and transformer rooms throughout the City.

The Public Lighting Department lists 13 proposed capital projects for a total of \$234.5 million, which includes \$204.5 million in unprogrammed expenditures. In comparison, with the last Capital Agenda, the Public Lighting Department submitted a list of 15 projects with a total estimated cost of \$277,500,000, which included \$180.5 million in unprogrammed expenses. The Department does not list any expenditures for capital projects during the 2005-2006 fiscal year.

The Public Lighting Department stated that a new program to protect the street light bases by installing shrouds has been carried out during this current fiscal year. A total of \$1,197,347 has been budgeted to cover 23,000 Street Lighting poles. The department states there are a total of 87,000 street and alley lights. The department does not indicate if the program will continue to place shrouds on the remaining 64,000 poles. The shrouds are lightweight, many have already been damaged, and the shrouds have become a target for graffiti.

Most of the proposed capital projects are on-going programs. These include street lighting modernization (including those fed by underground wiring), service extensions, responding to development projects, improvements to the distribution system, and upgrades to substations. Two of the proposed projects are continued from the previous Capital Agenda – a new substation on Belle Isle, and the construction of a new switch house at Mistersky.

Two new proposed capital projects appear to be given some priority. One is the replacement of the computerized control and monitoring systems for one of the generators at Mistersky. The second is the complete overhaul of turbines in four of the generators at Mistersky. A third new project is the modernization of the control room. Funding, however, for the project is unprogrammed.

The Public Lighting Department should be requested to prioritize its list of capital projects, or provide further information on what will be required to make the department completely self-sufficient.

RECREATION DEPARTMENT

As in the previous Capital Agenda, the Recreation Department is subdivided into four categories. These are: Parks Development Work Force, Parks and Landscapes, Recreation Centers & Facilities, and Belle Isle and Riverfront Parks.

Park Development Workforce

The Recreation Department has included "Workforce" under the Park Development category. According to the department – "this workforce is responsible for completing design and construction administration of major improvements..."

Parks and Landscapes

One major renovation is expected in each of the City's ten planning clusters in the next five fiscal years. Park Corrective Safety projects are also programmed during the same period. The program is aimed at replacing outdated and possibly hazardous equipment.

Recreation Centers and Facilities

The department would replace old facilities with new construction. Repairs would also be made to roofs, and swimming pools would be retrofitted with handicapped pool lifts, etc. Minor repairs to HVAC, electrical and plumbing systems are also programmed in the capital program.

Belle Isle & Riverfront Parks

Several facilities at Belle Isle Park would undergo an extensive renovation. The Proposed Capital Agenda indicates the intention to employ the Belle Isle Master Plan for future developments. In our last review of the Capital Agenda, we stated,

"Of interest to this review is the proposal of the department to base some of its capital developments on the unapproved 2001 Belle Isle Master Plan".

We still believe that the Master Plan should not be implemented because it was not adopted by the City Council. Moreover, the Master Plan is not feasible for future development because the major source of funding proposed in the document, User Fees, has not been supported by the City Council.

The Proposed Capital Agenda also fails to address the capital program for the Boat Club, which has been vacant for several years.

SEWERAGE

The Sewage Disposal System is administratively a part of the Water and Sewerage Department. However, the Sewer System is maintained as a separate fund in the City's accounting system and in the Capital Agenda. The Sewage Disposal System consists of one wastewater treatment plant, 14 pump stations, 3 stormwater detention basins, and approximately 3,000 miles of sewer lines.

The proposed capital program for the Sewage Disposal System includes 9 general categories. Funding is programmed for the first three fiscal years. No funding is listed for capital projects for the final two years of this five-year agenda. A separate list of the priority projects within each category is also provided. The list of the high priority projects includes 77 projects totaling \$1.955 billion. By comparison, two years ago the list of high priority projects for the Sewage Disposal System totaled \$2.423 billion.

Many of the projects listed under "Planning and Administration" of the Sewage Disposal System are the same or similar to projects listed under the Water Supply System categories of "Mechanical Maintenance" and "Computer System." These appear to be department-wide projects that both the Sewage Funds and the Water Funds contribute to equally.

One project that is notably absent from the lists of both the Sewage Disposal System and the Water Supply System is the Office Relocation Project or construction of a new administrative office building. The Water and Sewerage Department should be asked about the current plan and the status of the new main office project.

Specific projects identified by the Department for the Sewage Disposal System include: rehabilitation of six pumping stations; construction of an Upper Rouge River Combined Sewer Overflow (CSO) tunnel; construction of the Belle Isle CSO facility; construction of the Oakwood CSO facility; and installation of automatic meter reading systems for commercial and residential customers.

WATER

The Water Supply System is administratively part of the Water and Sewerage Department. However, the Water Supply System is maintained as a separate fund in the City's accounting system and in the Capital Agenda. The Water Supply System consists of five water treatment plants, twenty-one booster stations and twenty reservoirs. The system also includes approximately 3,400 miles of transmission and distribution mains in the City of Detroit plus 790 miles of transmission lines outside the City that are owned and maintained by the Department.

The proposed capital program for the Water Supply System includes twelve general categories. Funding for the capital projects is estimated for the first four years of the Agenda. No funding is estimated for the last year of this Agenda, 2009-2010. A separate list of the priority projects, within each category includes a total of sixty-six projects for a total of \$1.228 billion in estimated expenditures. Two years ago, the list of high priority projects submitted in the Capital Agenda totaled \$987.1 million.

Renovation and rehabilitation of the Springwells water treatment plant is the largest project by cost at \$366,471,000, nearly 30% of the total cost for all the highest priority projects. Other specific projects identified by the department include: construction of the Haggerty Booster Pumping Station; construction of a new 42-inch transmission main as a part of the Chesterfield Township Loop; and implementation of the water transmission system instrumentation, process control and computerization program.

There are a number of priority projects listed under "Mechanical Maintenance" and "Computer Systems" that are also listed in the Sewage Disposal System category of "Planning and Administration." These appear to be the department-wide projects; both the Sewage fund and the Water fund contribute to these projects. Department-wide projects include: installation of automatic meter reading equipment; the regional 800 MHz radio system; improvement and replacement of the PBX and telecommunications system; Information Systems Evergreening; and implementation of a department-wide electronic document management system.

One project that is notably absent is the main office relocation, construction of a new administrative office building.

DETROIT ZOOLOGICAL INSTITUTE (DZI)

The DZI five-year capital program is a mix of projects aimed at addressing renovation and infrastructure needs. It focuses on new development, conservation and education.

The Detroit Zoo has been identified in the settlement between the City and the DOJ regarding non-compliance with the ADA. The ADA citations would be addressed by using private funds and currently allocated capital funds to implement physical modifications at the Belle Isle Nature Zoo, which include a parking lot striping, signage, family restrooms, etc.

Several other capital projects are included in the DZI five-year capital program to address ADA concerns about accessibility of handicapped persons to several areas of the main zoo. These areas include renovation, remodeling, replacement and additions to concession facilities, the

repair and improvement of the existing miniature railway and tramway system, repaving of the main surface parking lot, and repair of pedestrian walkways.

Gunitite maintenance is an ongoing U.S. Department of Agriculture (USDA) requirement. Most of the Institute's exhibits contain this substance. Maintenance involves repairs of cracks, broken masonry or moat exhibit surfaces.

The five-year capital program also has projects involving landscaping, penguinarium renovation/mechanical system, roof replacement, and a new turtle conservation center, primate house renovation.

Of interest is the inclusion of a Downtown Aquarium project on the riverfront, estimated at \$100 million. CPC staff conducted a survey of Aquariums in the US in 2002. However the Council did not take any action at that time because the Mayor had not presented such a proposal at that time.

In our last review of the Capital Agenda we noted that the Belle Isle Zoo was closed to the public since the Summer 2002 season. The Proposed Capital Agenda indicates that the Belle Isle Zoo will be replaced by the Belle Isle Nature Zoo (the former Belle Isle Nature Center).

ANALYSIS

The Proposed Capital Agenda for 2005-06 through 2009-10 contains an average annual capital program citywide of more than three (3) billion dollars from all funding sources. The various sources of funding have been outlined in this memo. A few of the capital projects included in the Agenda may not actually be capital improvement items. Capital improvements should not include expenditures for equipment or services such as facility inspections, which are financed out of current revenues.

The Police Department and Detroit Zoological Institute (DZI) have been identified in the settlement between the City and Department of Justice for non-compliance with the ADA. Most of the Police Department and some of the DZI's, DPW Street Capital's programs and Library Department's projects are geared to correcting facility barriers to handicapped persons.

SUMMARY OF QUESTIONS, COMMENTS AND RECOMMENDATIONS

The City Planning Commission recommends that the following questions, comments and recommendations regarding the Proposed Capital Agenda be forwarded to the City Council for inclusion in the Council's correspondence to the Planning Director.

Questions and Comments

36th District Court

What is the rationale for a capital program for a facility not owned by the City? Please provide information on the duration of the lease and the obligations of the building owners for capital improvements.

Airport Department

What is the status of the FAA approval of a new airport runway? What is the status of the Airport mini-take project?

Arts Department

How will the proposed sale of the Cultural Center Garage affect the operations and Master Plan of the DIA?

Charles H. Wright Museum of African American History

How would the use of administrative office space as a new gallery affect the operation of the Museum? Are there any plans to replace the office space with new construction in the future?

Civic Center Department

What is the current plan for use of the \$1 million in General Obligation Bond funds for the Ford Auditorium? Are there any plans for adaptive reuse of Ford Auditorium? If yes, what are the options?

Department of Public Works – Street Capital

What is the basis of the department's statement that street capital funding will decline?

D-DOT

Explain the difference between the \$900 million in capital projects stated in the text and the total cost of the projects listed at about \$65.8 million. Provide the status of the Downtown Transit Center, Central Terminal Improvement, and Gilbert Terminal ventilation system replacement projects. What is the possible impact of recently proposed reductions in the bus system's hours of operation on the department's capital agenda?

DTC (People Mover)

Why are the Long Term Inspection program and Maintenance Training considered as capital programs?

Health and Wellness Promotion

Because of potential risk to clients and workers of Herman Kiefer Health Center, what efforts are being taken at this time to relocate the Laboratory to a safe location away from the general public?

Municipal Parking Department

What are the estimated costs for the repairs for the Premier Garage? Are the repairs a result of errors or flaws in design or construction?

Office of the Homeland Security

Will the integration of the Emergency Operations Center with the Transportation System meet all the needs of the Homeland Security Office?

Public Library

Can any of the funds generated from the recent millage approvals be used for capital projects?
Has the Library Commission investigated the potential of partnering with the private sector for support of major renovations?

Public Lighting

Please prioritize the department's capital projects. What would be required to make the department completely self-sufficient?

Police Department

Why is the Detroit Police Department Headquarters' project that was included in the previous capital agenda not indicated in this Proposed Capital Agenda?

Recreation Department

What is the status of the Boat Club? Are there any plans for adaptive reuse?

Water and Sewerage Department

What are the current plans for and status of the new main office project:

RECOMMENDATIONS**Airport Department**

Request the Airport Department to explore the means to reopen East McNichols between French Road and Conner.

DPW-Street Capital

Amend the DPW's project for Modernization of Traffic Signals to include the acquisition of pedestrian signals that include signals for sight-impaired citizens to meet requirements of the Americans with Disabilities Act.

DDOT

Consider deleting Fare Integration System and the Job Access/Reverse projects unless DDOT can demonstrate how these projects are capital investments in the physical structure or construction.

Municipal Parking

Consider deleting Construction Management as a project unless the department can justify why it is more beneficial to use private firms rather than the Detroit Building Authority.